

Arizona State Board of Accountancy



SUBSTANTIVE POLICY STATEMENT

Section: General

Subject: Instruction/development of Ethics CPE Program

Policy Statement #2005-001

Issued Date: December 6, 2004

Effective Date: January 1, 2005

This substantive policy statement is advisory only. A substantive policy statement does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona administrative procedure act. If you believe that this substantive policy statement does impose additional requirements or penalties on regulated parties you may petition the agency under Arizona Revised Statutes section 41-1033 for a review of the statement.

R4-1-453(C)(3) provides as follows: Notwithstanding the foregoing, an ethics program taught or developed by an employer or co-worker of a registrant does not qualify for the ethics requirement of subsection (D)(5).

The intent of the Board's rule is to inject a layer of separation and independence by not allowing registrants to claim Ethics CPE courses that have been developed or administrated by their employer or co-workers. In the context of state government, since the State of Arizona is considered the employer of multiple branches (executive, legislative and judicial), subdivisions (agencies, boards, commissions, departments, etc) and other entities (ie., universities) of government, the Board, in keeping with the intent of the rule, interprets the limitations of R4-1-453(C)(3) as follows:

- Materials may be prepared and presented by the employees of one branch of government (Executive, Legislative Or Judicial) for the employees of another branch of government.
- Materials may be prepared and presented by the employees of one level of government (state, county, municipal, etc.) for the employees of another level of government.
- Materials may be prepared and presented by the employees of one of the state's universities (Northern Arizona University, Arizona State University and the University of Arizona) for employees of a different state university.
- Materials may be prepared and presented by the employees of the state's universities for employees of any branch or level of government who are not employed by one of the state's universities, or vice versa.
- Materials may be prepared and presented by the employees of one subdivision of government (agencies, boards, commissions, departments, etc) for the employees of another subdivision of government.
- A governmental employee may prepare and deliver materials on behalf of a trade or professional organization to employees in the same branch or level of government.
- Materials may be prepared and presented by employees of a subdivision of government for other employees within the same branch of government provided the employees are not within the same subdivision of government.